and in some district the cases are being disposed of under pilot project scheme also and the target per year fixed for a Lok Adalat is 300 cases. A separate sum has been earmarked to be paid as an allowance to the witnesses. Because more cases are being disposed of by the Lok Adalats, the number of witnesses appearing before them is also more. But the Adalats do not have adequate arrangements for the payment of allowance to the witnesses. in this context I would like to know from the hon. Minister whether the Central Government would prepare and implement a scheme under which the witnesses appearing before the Lok Adalats and also in connection with the cases under pilot project scheme are paid the allowance in time. Otherwise what is happening is that many people do not want to come to give evidence because they do not possess the railway or the bus fare required for the journey to and fro. Will the Government take steps to bring about an improvement in this situation?

SHRI RAMAKANT D. KHALAP : Sir, I am taking into consideration the entire issue relating to Lok Adalats. As I said earlier, not only Lok Adalats, but also any other alternative system that may be available, will be taken into consideration. I am thinking of organising such a system that in the next couple of years, the entire pendency of cases in all the courts in the country may be brought down to a reasonable limit. This will include taking care of bhatta to be paid to witnesses and all that. We will also take into consideration other things to make the system more effective and to spread the system from the highest level to the lowermost level and so on.

[Translation]

SHRI THAWAR CHAND GEHLOT : Mr. Deputy Speaker, Sir, I had asked him about the allowance and he has furnished no information in this regard thereto.

MR. DEPUTY SPEAKER : He has given the information.

SHRI DATTA MEGHE : Mr Deputy Speaker, Sir, it has been reported that more than two crore cases are pending in Lok Adalats and the hon. Minister has given an assurance about three to four times in the course of his reply that the Government propose to extend this system upto "taluka" level in this connection.

I would like to submit that in the civil courts, small cases continue for ten to twelve years and whosoever lawyer goes there, he gets the date postponed after making some payment. On the other hand the Lok Adalats easily come to the help of poor people and if you take them to the "taluka" level in right earnestness, the poor people will be benefited. I would like to know in how many years, how many months and in how many days you are going to complete this time-bound programme. This is the concern of a large number of people. The hon. Minister should spell out the period in which this programme is going to be implemented.

[English]

SHRI RAMAKANT D. KHALAP : Sir, at this stage I cannot give any specific reply to this question.

[Translation]

SHRI DATTA MEGHE : I would like to submit that you should do it within an year or six months so that the people of the country know that we have extended the Lok Adalats upto the "taluka" level. The Government should come out with a time-bound programme in this regard, otherwise it will be of no use.

[English]

SHRI RAMAKANT D. KHALAP : Sir, for this purpose, I must tell the House that this system is to be implemented at the State level by the State Governments. Therefore, the State Governments have to frame rules and create various authorities under the Act. For the information of the hon. Member, I must also say that many States have not performed their duty.

[Translation]

SHRI DATTA MEGHE : The Lok Adalats have started functioning in my State. Very good work is being done in Maharashtra. The hon. Minister has said that he proposes to extend these courts to "taluka" level. I would like to know whether the hon. Minister proposes to forward this type of programme to the Maharashtra Government or to any other State Government?

[English]

SHRI RAMAKANT D. KHALAP : Mr. Deputy Speaker, Sir, we have the Legal Services Authorities Act, and Chapter III of this Act has been extended to 10 States. They are, Andhra Pradesh, Haryana, Himachal Pradesh, Punjab, Orissa, Rajasthan, Sikkim, National Capital Territory of Delhi, West Bengal and Uttar Pradesh. The Legal Services Authority has been constituted in three States, namely, Andhra Pradesh, Haryana and Himachal Pradesh. The State of Manipur has finalised the rules, and the notification extending Chapter III will be issued very shortly.

As regards other States, work has not been done. I would request the hon. Members, from whichever States they come, to kindly interact with their respective States to see that they frame the rules, to see that the Act is made applicable in its total respect everywhere and we create the bodies, to be constituted under this Act, so that right from the Taluka level up to the High Court level these Lok Adalats could start functioning.

[Translation]

Import and Supply of Gold to Jewellery Exporters

*244 SHRI RAM KRIPAL YADAV
SHRI MRUTYUNJAYA NAYAK

Will the Minister of COMMERCE be pleased to state.

(a) the total quantity of gold imported by MMTC under the special import licence during each of the last three years;

(b) whether gold was given to jewellery exporters under 'Gold on Loan' Scheme launched by MMTC;

(c) if so, the details of exporters and quantity of gold given to them during the above period, location-wise;

(d) whether the payment has been made to MMTC by the exporters after exporting jewellery in accordance with the rules prescribed by MMTC;

(e) if not the reasons therefor and the total amount payable to MMTC and the actual amount of payment received upto March, 1996;

(f) whether any inquiry has been conducted by the Government in this regard;

(g) if so, the outcome thereof;

(h) whether any official is involved in the fraud; and

(i) if so, the action taken by the Government against the officials involved thereon and the steps taken to prevent such frauds?

[English]

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (i). A statement is laid on the Table of the House.

STATEMENT

(a) MMTC is one of the agencies nominated by Government to import gold duty-free for supply to exporters of jewellery under Paragraph 88 of the Exim Policy. This is a promotional scheme operated by MMTC to enable the exporters of jewellery to get gold at international prices. Besides this scheme, MMTC, being a Super Star Trading House is also entitled to special Import Licence as export benefit which it utilises to import gold on payment of concessional rate of customs duty of Rs 220/10 gm for sale to domestic maret

The total quantity of gold imported by MMTC during the last three years is given below :

Year	Import Under SIL (In Kgs.)	Import Under Export Promotion (In Kgs.)
1993-94	0	13673
1994-95	3000	17369
1995-96	7000	20438

(b) Yes, Sir

(c) About 400 exporters of gold jewellery have been given gold on loan by MMTC. Total quantity of gold loaned by MMTC during the last 3 years state-wise is given below :

(Qty. in Kgs.)

STATES	1993-94	1994-95	1995-96	TOTAL
Delhi	5571	5125	3993	14689
Uttar Pradesh	1253	1107	1518	3878
Maharashtra	2760	3749	3564	10073
Karnataka	676	1581	2376	4633
Andhra Pradesh	0	82	166	248
West Bengal	619	474	1225	2318
Rajasthan	0	0	74	74
Gujarat	63	311	200	574
TOTAL	**10942**	**12429**	**13116**	**36487**

(d) Of this quantity of 36487 kgs. of gold issued on loan by MMTC to exporters, MMTC has not received payment for a quantity of 362 kgs. This works out to 1% of the total amount of gold issued on loan by MMTC to jewellery exporters during the last three years.

(e) The break-up of this 362 kgs. of gold is as follows

(i) Gold loaned and jewellery not yet exported 202 kgs

(ii) Jewellery exported but gold not yet paid for 160 kgs

Reasons for the above are broadly as follows :

(i) Requests by some exporters for extension of time for effecting exports

(ii) Unauthorised removal of gold from the bonded premises

(iii) Non-realisation of export proceeds

(f) to (i) In all these cases, action has been pursued by MMTC in accordance with Director General of Foreign Trade Customs Department, Department of Enforcement and other enforcement agencies including the Central Bureau of Investigation. Action against officials suspected of negligence or collution has also been initiated

Government have constituted an Inter-Ministerial Group under the Chairmanship of Commissioner (Customs), Delhi to take coordinated action against defaulting exporters of gold jewellery. Government have also tightened up the procedures by reducing the period allowed for exports to 60 days for gold supplied on loan. The jewellery units in EPZ/EOUs are now also required to furnish bank guarantees on graded scales from 10% to 100% depending upon their past export performance

[Translation]

SHRI RAM KRIPAL YADAV : Mr. Deputy Speaker Sir, it was a very important question but the hon. Minister has given very unsatisfactory reply. I would like to ask the hon. Minister whether it is a fact that gold was given without any security?

SHRI BOLLA BULLI RAMAIAH : Sir, as per the policy of the Government of India, we have appointed different Commissions for the purpose of exporting jewellery from this country. They are State Bank of India, Handicrafts and Handloom Export Organisation, M.M.T.C., and State Trading Corporation. This is mainly for the small scale sector where they have got the reputation as the exporters of jewellery, and gold was given on loan. But we realised that in some particular cases, we had some problems, and we had initiated action in all those cases. However, if you see the total amount of gold issued, you will know that less than one per cent of the total amount of gold is yet to be recovered. We are processing these cases. Out of a total profit of Rs.78.5 crore, an amount of Rs. 11.6 crore is pending in litigation. We are making efforts to see that the export of jewellery is encouraged. We have also taken up all these issues for consideratrion from September 1995. We are now insisting that the exporters should furnish a bank guarantee for the full amount or collateral security about their ability and past performance.

MR. DEPUTY SPEAKER : The hon. Member's question is very specific. He wanted to know whether gold was advanced to some people without any security.

[Translation]

SHRI RAM KRIPAL YADAV : Mr. Deputy Speaker, Sir, I had asked a very simple question.

MR. DEPUTY SPEAKER : I have asked on your behalf and spared your second supplementary.

[English]

SHRI BOLLA BULLI RAMAIAH : We have given some gold to the small scale sector for export purposes. It was advanced initially on the basis of their past performance. Probably, at that time, we have not taken the collateral security for the full amount. But now, after seeing the performance, we realise that we should tighten this thing and we are also taking action against those people.

MR. DEPUTY SPEAKER : The question still remains unreplied. The hon. Member wants to know whether any gold was advanced to anybody without any security.

SHRI BOLLA BULLI RAMAIAH : Yes, Sir, without any security, we had given some gold on the basis of their past export-oriented goals.

[Translation]

SHRI RAM KRIPAL YADAV : Sir, the hon. Minister has accepted that some gold was given without any security. In this connection, I would like to know from the hon. Minister, whether he proposes to institute an enquiry against the concerned officers including the Chairman by C.B.I. or whether he is conducting some other type of enquiry...(*Interruptions*) What was the quantity of the gold given...(*Interruptions*)

[English]

SHRI BOLLA BULLI RAMAIAH : We have also initiated action against the officials suspected of negligence and collusion and who are working in the Offices of the Director-General (Enforcement), Customs and various other officials...(*Interruptions*).

MR. DEPUTY SPEAKER : The hon. Minister is consulting his papers. Let him consult.

SHRI BOLLA BULLI RAMAIAH : We have so far advanced 36.484 kg. of gold. Out of that net recovery is 360 kgs.

[Translation]

SHRI RAM KRIPAL YADAV : Sir, I had asked whether the hon. Minister proposes to institute a C.B.I. enquiry against the concerned officers as it is a case of very big bungling which has resulted in great loss to the country.

[English]

SHRI BOLLA BULLI RAMAIAH : Yes, Sir. We have taken necessary action through CBI, DOE and DRI. Different kinds of actions were taken against these people. (*Interruptions*)

SHRI MRUTYUNJAYA NAYAK : I would like to know whether in view of such security deposit, there have been any such instances or precedents previously also that Government has considered to give such a relaxation; if not, what are the compelling circumstances under which the Government has given such relaxation?

SHRI BOLLA BULLI RAMAIAH : On the basis of past performance, we have taken into consideration the export-oriented small scale industries and now we have tightened this issue after realising that certain amount of deposit should be there. From September, 1995 we are insisting on making full bank guarantee.

[Translation]

SHRI GEORGE FERNANDES : Mr. Deputy Speaker, Sir, I was much astonished when the hon. Minister observed that only one per cent gold remains to be recovered yet. He has taken this very lightly. One per cent gold means one hundred crore of rupees including interest and custom duty thereon. One hundred crore rupees of the country has not been recovered. He is not worried on this score. He is giving us the figures to show as to how the gold was given. It was given without any bank guarantee. Thirty-six thousand kilograms of gold valued at two thousand crore of rupees was given without bank guarantee. The hon. Minister has given three reasons and one of these three reasons is :

[English]

(1) Unauthorised removal of gold from the bonded premises.

[Translation]

In this connection, I would like to know from the hon. Minister as to how the gold was removed from the bonded warehouses unauthorisedly, when did you come to know of this, who are the persons responsible for this, how many people have been apprehended and if apprehended what is the action being taken against them? The hon. Minister has not answered these queries. You have repeatedly said that you are issuing gold to the small people. These are not small people but these are export houses. They manufacture ornaments through machines and they have snatched the livelihood of the goldsmiths. Fifty lakh goldsmiths are starving at present in the country. The export houses is a class indulging in thieving. I would like to know from the hon. Minister whether he proposes to discontinue issuing gold to this class and ensure that the ornaments are manufactured by the small goldsmiths and then exported.

[English]

SHRI BOLLA BULLI RAMAIAH : We have taken proper care of it. Now, in the DoE, 80 cases are pending; in the DRI, nine are pending and in the CBI, five are pending. We are proceeding on those lines against these people. We have taken necessary action against all those people.

[Translation]

SHRI GEORGE FERNANDES : I would like to know whether the hon. Minister proposes to take away this job from the big people, and entrust the same to the small goldsmiths?

[English]

SHRI NIRMAL KANTI CHATTERJEE : I believe that the replies can be little more satisfactory.

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T R BAALU) : It is quite encouraging.

SHRI NIRMAL KANTI CHATTERJEE : The first part of my question is : What penalties have been imposed? How many persons are involved and who are they? This is the first part of my question. As Shri George Fernandes has very correctly drawn our attention, the sums involves are huge. One of the reasons given for relaxation was that smuggling would be stopped or reduced. Is he prepared to furnish us the figures about the amount of reduction taken place in smuggling of gold here? This is another part of my question.

Then, I want to know in which year this offer has been given? How much of penalty was imposed? In which form was it imposed? Has anybody been influenced? I feel that there is some collusion. Some officials are involved. Have they been dismissed? What kind of penalty has been imposed?

MR. DEPUTY SPEAKER : Only one supplementary is allowed.

SHRI NIRMAL KANTI CHATTERJEE : This is one part of my question. The hon. Finance Minister is here. The interesting part is in another statement. It is not only for exports but the domestic consumption of gold has jumped from zero to 3000 to 7000 kgs. and this bit of gold is lost on the way. One per cent is for export purposes but five per cent of this, that is, 3000 kgs. of gold is equal to five per cent of the consumption which has been brought within our country. Does he think that our savings are getting affected because of the diversion, expenditure on gold in the domestic areas?

SHRI BOLLA BULLI RAMAIAH : I have given the action taken on various cases for the years 1993, 1994 and 1995. I have already given you the total number of cases. About 32 persons are involved, against whom action has been taken. We have also taken proper precautions in September 1995. All the cases are going on. These are all for EPZ/EOU.

SHRI NIRMAL KANTI CHATTERJEE : How many people have been awarded penalty? What kind of penalty has been awarded?

SHRI BOLLA BULLI RAMAIAH : Some people have been arrested, some people have been put on investigation. In some cases, there have been negotiations. (*Interruptions*)

SHRI NIRMAL KANTI CHATTERJEE : What are their identities? He has pointed out that the richer people are involved. It is not the small owners who are involved but the richer people are involved. Who are they?

SHRI BOLLA BULLI RAMAIAH : As far as we are concerned, we are giving it only to the small traders who have come under the EPZ/EOU. That is what we are doing.

SHRI NIRMAL KANTI CHATTERJEE : Is there no intermediary?

SHRI BOLLA BULLI RAMAIAH : It is given to those people directly. That is where we are supplying this gold on loan. This is meant for the scheme and this scheme is going on that basis.

[Translation]

SHRI SHIVRAJ SINGH : I would like to know from the hon. Minister as to who are the exporters to whom gold was issued without any security under this scheme? Against how many, action has been taken and on what issues?

[English]

SHRI BOLLA BULLI RAMAIAH : We have got a list of those people. If you want, I will put it on the floor of the House. As I said earlier, 32 cases are pending and we are proceeding on those cases. (*Interruptions*)

[Translation]

SHRI SHIVRAJ SINGH : Who is looking into it and what are the issues on which action is being taken?

[English]

MR. DEPUTY-SPEAKER : Now, he is asking the supplementary.

SHRI BOLLA BULLI RAMAIAH : The main action by the CBI is going on. We have also got the DoE and the DRI. We are using them. All the three agencies are taking action on these people.

[Translation]

SHRI SHIVRAJ SINGH : A Minister belonging to the previous Government is involved in it. The hon. Minister is, therefore, not revealing the name.

[English]

SHRI SARAT PATTANAYAK : This is not the right answer. He is involving the previous Government. That is why he is not giving the answer. That is not the right answer. This should not go...(*Interruptions*)

SHRI BOLLA BULLI RAMAIAH : We are not quoting any officials in this case. As I mentioned in the House, action has been initiated against officials suspected of negligence/collusion. So, action has been initiated against all these people in these cases ...(*Interruptions*)

[Translation]

SHRI SHIVRAJ SINGH : You, kindly lay the list on the table of the House.... (*Interruptions*)

[English]

MR. DEPUTY SPEAKER : Let him ask.

SHRI B.K. GADHVI : The question pertains to the transactions for the last three years. As Shri George Fernandes has righly pointed out, this is a question of more than three and a half quintals of gold and unauthorised removal of it from the bounded warehouses. Now I would wish to ask the hon. Minister whether, those warehouses which have indulged in unauthorised removal of this gold from the bounded warehouses and those who have not made the payment back to the MMTC, the Government have black-listed them.

Secondly, I would like to know whether the Government have proceeded against these persons on a criminal basis and on other basis and whether the Government have tried to find out as to whether there was any collusion between the custom officers of these warehouses, and if so, what has been transpired?

SHRI BOLLA BULLI RAMAIAH : The action has already been taken. The Government have constituted an Inter-Ministerial Group under the chairmanship of the Commissioner of Customs to take a coordinated effort and also to take action against all these people. We are doing that job.

SHRI B.K. GADHVI : I would like to know whether action has been taken or not for the last three years.

Industrial Growth

*245. SHRI P.R. DASMUNSI : Will the Minister of INDUSTRY be pleased to state :

(a) Whether the Government have declared the industrial growth for the year 1995-96; and

(b) if so, the growth in industrial sector, sector-wise vis-a-vis the targets fixed and achievement made alongwith the comparative figures for 1994-95, State-wise?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). A Statement is laid on the Table of the House.

STATEMENT

(a) and (b). As per the quick index of industrial production, the overall industrial growth in 1995-96 was 12.1 per cent as compared to 9.4 per cent in 1994-95. Sector-wise growth in industrial production and envisaged average annual growth rate in the Eighth Five Year Plan (1992-97) is indicated below:

Industrial Growth (%)

Sector	Weights	Envisaged Annual Rate (1992-97)	Growth Rates (1994-95)	Growth Rates (1995-96)
Mining	11.464	8.9	7.3	6.9
Electricity	11.429	7.6	8.5	8.1
Manufacturing	77.107	8.2	9.8	13.7
Overall	100	8.2	9.4	12.1

Comparable index of industrial production at state level are not prepared

SHRI P.R. DASMUNSI : Mr. Deputy Speaker, Sir, the time is short and I seek your protection. The question has not been answered fully. If you look at my question, Part 'C' of that has not been answered. Parts 'A' and 'B' have been answered and about part 'C', it has been stated that comparable index of industrial production at State level are not prepared. If this is the way, how do I ask the question? I was more keen to know about it.

SHRI SHIVRAJ SINGH : There is no part 'C'.

SHRI P.R. DASMUNSI : Part 'C' is there... (*Interruptions*)